

TENNESSEE HOUSING DEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
(Expressed in Thousands)

	For the Six Months Ended December 31, 2003 (Unaudited)	For the Six Months Ended December 31, 2002 (Unaudited)	For the Year Ended June 30, 2003	For the Year Ended June 30, 2002
OPERATING REVENUES				
Mortgage interest income	\$ 47,557	\$ 54,358	\$ 104,714	\$ 107,134
Investment income:				
Interest	11,953	15,177	30,374	30,117
Net increase in the fair value of investments	(12,968)	14,878	18,164	15,014
Federal grant administration fees	4,693	5,005	8,869	8,457
Fees and other income	1,554	1,456	2,186	1,451
Total operating revenues	52,789	90,874	164,307	162,173
OPERATING EXPENSES				
Salaries and benefits	4,261	3,981	8,194	7,368
Contractual services	644	477	1,415	1,402
Materials and supplies	232	141	346	319
Rentals and insurance	484	405	822	771
Other administrative expenses	163	173	377	262
Other program expenses	962	379	2,399	2,193
Interest expense	43,627	51,949	102,164	102,413
Mortgage service fees	2,534	2,775	5,447	5,424
Issuance costs	297	385	767	825
Depreciation	-	-	5	5
Total operating expenses	53,204	60,665	121,936	120,982
Operating income	(415)	30,209	42,371	41,191
NONOPERATING REVENUES (EXPENSES)				
Federal grants revenue	70,705	66,292	138,123	127,611
Federal grants expenses	(70,705)	(66,292)	(138,123)	(127,611)
Local grants expenses	(3,391)	(3,691)	(6,654)	(10,027)
Payment to primary government	-	-	-	(35,367)
Total nonoperating revenues (expenses)	(3,391)	(3,691)	(6,654)	(45,394)
Change in net assets	(3,806)	26,518	35,717	(4,203)
Total net assets, July 1	405,716	369,999	369,999	374,202
Total net assets, End of period	\$ 401,910	\$ 396,517	\$ 405,716	\$ 369,999

The Notes to the Financial Statements are an integral part of this statement.